

Community Meeting on Medical Marijuana Ordinances

July 20, 2010

6 p.m. – 8 p.m.

Roosevelt Community Center

Meeting Purpose

Ensure public participation and input at key points in the process of developing Medical Marijuana Ordinances should the City Council choose to allow Medical Marijuana collectives to operate in the City of San Jose.

City staff will:

- Present key features of the Medical Marijuana Ordinances
- Collect public comment/input
- Answer Questions

Various Community Outreach Efforts

2009	
Nov. 4	The Rules and Open Government Committee (Rules Committee) directed staff to conduct a workload assessment and provide legal analysis on land use issues relative to medical marijuana.
Nov. 18	Staff provided a status report to the Rules Committee.
2010	
Jan. 27	Staff provided a more complete workload assessment pertaining to land use issues. The Rules Committee directed staff to conduct additional follow-up analysis on land use issues and present the analysis to the full City Council.
March 30	Staff presented its workload assessment on the land use issues to the full City Council. The City Council directs staff to return by June 8, 2010. Staff later requested for an extension and Sunshine requirement waiver.
June 7	Community outreach meeting (City Hall)
June 22	City Council Meeting
July 6-12	Ballot Measure Polling of “Likely Voters”
July 20	Roundtable discussions on the key features of the draft ordinances (Roosevelt Community Center, 901 E. Santa Clara Street)
August 3	Council consideration of ballot measure language for Marijuana Business Tax (City Hall, Council Chambers)
Nov. 18/ Dec. 13 (Tentative)	Council Study Session on Medical Marijuana

Tonight's Agenda

1. Opening Remarks (6:00 p.m.)

2. Review of March 30 Council Referral and June 22 Council Direction (6:05 p.m.)

3. Small Group Discussion (6:20 p.m.)

Question 1: What are your thoughts on one of the four topics listed below?

Question 2: What additional issues should the City consider?

- **Registration Process & Requirements:** 10 Collectives, Priority Order, 1 Year Registration Term, Registration Fee, etc.
- **Operating Requirements:** Safety & Security, Day & Hours of Operation, Owner/Management Requirements, Packaging, Maintenance of Records, etc.
- **Taxing Marijuana Businesses:** Ballot Measure, Tax Rate Policy Options, etc.
- **Land Use Policy:** Sensitive Uses & Distance Requirements, Cultivation, Public Noticing

4. Large Group Discussion (7:10 p.m.)

- What themes emerged from your small group discussions?

5. Next Steps / Adjournment (7:50 p.m.)

- August 3, 2010 City Council Meeting
- Nov. 18 or Dec. 13 City Council Study Session (Tentative)

Topics for Small Group Discussion

Topic	Facilitator/Scribe
1. Registration Process & Requirements	F: Brian Ferrante S: Vilcia Rodriguez
2. Operating Requirements	F: David Hober S: Ernest Azevedo
3. Taxing Marijuana Businesses	F: Wendy Sollazzi S: Alexandra Orologas
4. Land Use Policy	F: Laurel Prevetti S: Nadine Nader

Guidelines for Constructive Communication

- ❖ Listen for understanding before evaluation
- ❖ Speak honestly and respectfully
- ❖ Maximize participation

NOTE:

- Discussion of the key features includes areas under consideration. Your input will help City staff complete its work.
- This discussion will focus on key policy features and is not intended to encompass a legal debate on the state of the law.

Parameters of Drafting the Ordinance

- The provisions in the draft ordinance are in compliance with Prop 215, SB 420 and the California Health and Safety Code. If approved by the City Council, they will not interfere with a patient's right to use medical marijuana as authorized under State Law, nor will they criminalize the cultivation of medical marijuana by qualified patients or primary caregivers.
- To the extent possible, the Administration has developed policy alternatives in areas that are not defined by law.

Draft Medical Marijuana Ordinance

- Part 1: Purpose and Intention
- Part 2: Definitions
- Part 3: General Provisions - Registration
- Part 4: Operating Regulations and Conditions
- Part 5: Maintenance of Records
- Part 6: Audits
- Part 7: Inspection and Enforcement
- Part 8: Other Legal Duties
- Part 9: Personal Use Requirements and Regulations

Registration Process & Requirements

- Maximum Number of Collectives at 10
- Priority Order
- 1 Year Registration Term
- Registration Fee
- Ordinances Sunset in Two Years

Facilitator: Brian Ferrante

Scribe: Vilcia Rodriguez

Operating Requirements

- Safety and Security Measures
- Collective Owner/Management Requirements
- Days & Hours of Operation
- Packaging
- Not for Profit
- Maintenance of Records & Independent Audits, including financials, membership records, etc.
- Sale of Ancillary and Manufactured Products or Paraphernalia Prohibited

Facilitator: David Hober

Scribe: Ernest Azevedo

Taxing Marijuana Businesses

- **Policy Option 1** - Single tax rate
- **Policy Option 2** - Tiered tax rate structure
(medical and non-medical rates)
- State Law prohibits collectives from generating a profit
- Potential tax revenues generated under a collective model vs. a retail model is limited
- Ability to forecast potential tax revenue at this time is difficult
- Federal government could decide to intervene if California voters pass the State initiative

Facilitator: Wendy Sollazzi

Scribe: Alexandra Orologas

Land Use Policy

- Maximum Number of Collectives at 10
- Commercial General Zoning District (On-Site Cultivation)
- Zoning Compliance Certificate (No Land Use Permit)
- 500 feet distance requirement from sensitive uses
 - Residential use
 - School
 - Child day care center
 - Church that includes a school or child day care use
 - Community or recreation center
 - Park
 - Trail
 - Library
 - Substance abuse rehabilitation center or
 - Another Medical Marijuana Collective

Facilitator: Laurel Prevetti
Scribe: Nadine Nader



Break out for Small Group Discussion

- Question 1:** What are your thoughts on the key features of the City's Ordinances?
- Question 2:** What additional issues should the City consider?

Large Group Discussion

What themes and questions emerged from your small group discussion?

Upcoming Key Dates

- **August 3:** Council consideration of a ballot measure for Marijuana Business Tax
- **November 18 or December 13 (Tentative):** City Council Study Session on Medical Marijuana
- Medical Marijuana Website
www.sanjoseca.gov/medicalmarijuana.asp